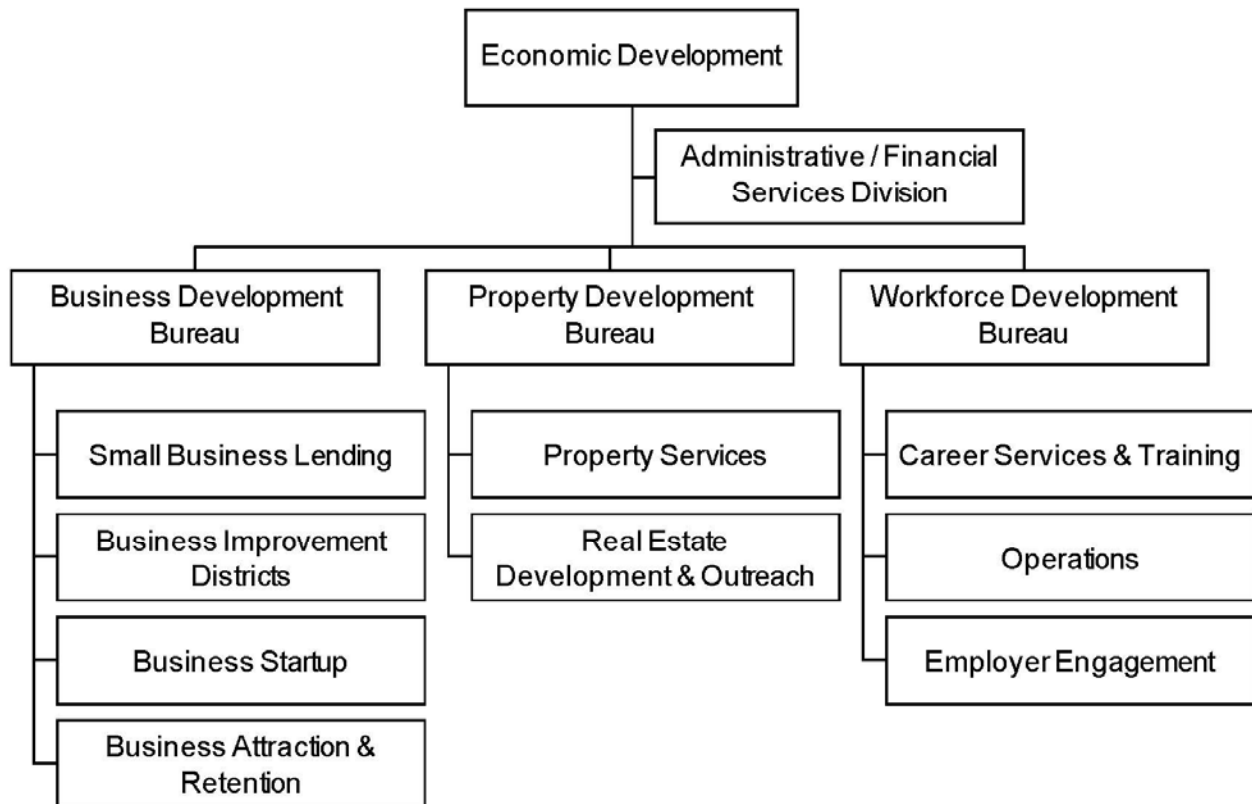


Economic Development



John Keisler, Director

Sergio Ramirez, Deputy Director

Nicholas Schultz, Workforce Development Director

Erick Serrato, Workforce Development Deputy Director

Johnny Vallejo, Business Operations Manager

Mary Torres, Property Services Officer

Sayed Jalali, Business Development Officer

April Apodaca, Administrative/Financial Services Officer

Department Overview

Mission:

The mission of the Economic Development Department is to create economic opportunities for workers, investors, and entrepreneurs in the City of Long Beach.

Core Services:

- Grow and strengthen established industry clusters and emerging sectors in Long Beach.
- Increase access to economic opportunities in low-income communities to advance economic equity.
- Ensure workforce preparedness and business competitiveness through an alignment of economic development, training, education, and community partner efforts.
- Build a supportive economic ecosystem that creates reliable pathways for entrepreneurs to confidently start and grow successful businesses.
- Create more responsive, cost-effective, and streamlined City processes to grow investment and development in the City.
- Enhance quality of life to grow businesses, jobs, and investment that support a thriving local economy.
- Advance an integrated approach to local and regional economic development to enhance business opportunities and global connectedness.
- Manage, negotiate and implement complex real estate transactions, leases and extensions.

FY 20 Focus:

In FY 20, the Economic Development Department (Department) will coordinate efforts of its three bureaus and four divisions to deliver its core services and support internal operations and will build upon initial strides made toward delivering the recommendations of the 10-year Blueprint for Economic Development (Blueprint). The Blueprint is a comprehensive plan that provides policy recommendations to advance Long Beach as “the City of opportunity for workers, investors, and entrepreneurs.” Specifically, Blueprint implementation will: facilitate the establishment of Long Beach as a place where workers can find more fulfilling, higher-wage job opportunities, market Long Beach’s “can do” climate where investors aggressively compete for the distinction to advance economic opportunities for businesses and the community, and further Long Beach’s innovative ecosystem that provides a foundation for entrepreneurial success from business start-up to growth. To achieve these objectives, the Department will leverage partnerships with the Economic Development Commission, local education institutions, business associations, and other community partners and build on the strong momentum gained in prior years.

This focus will drive success in each key focus area of the Blueprint including:

1. Engines of Growth
2. Economic Inclusion
3. Jobs and Workforce Development
4. Business Assistance
5. Development Environment
6. Quality of Life
7. Economic Leadership and Cooperation

Department Performance Measures

Key Measure	FY 18 Actual	FY 19 Target	FY 19 Estimate	FY 20 Projection
Number of new Long Beach based small businesses (<i>10 or fewer employees</i>)	1,072	980	1,236	1,300

This measures the number of new small businesses (10 or fewer employees) locating in the city or adding a new location. Figures exclude home-based businesses and commercial/residential rental property licenses. In FY 15, Council approved a small business incentive pilot program, and these numbers have grown steadily over the last two years. Staff anticipates continued growth in FY 20 and will continue to monitor its success.

Key Measure	FY 18 Actual	FY 19 Target	FY 19 Estimate	FY 20 Projection
Number of Successor Agency properties Disposed	61	81	34	80

This measures the amount of former Redevelopment Agency Properties (Successor Agency properties) that were initially retained under the Long Range Property Management Plan under the category of “for sale”. The initial goal was to sell the 57 parcels designated “for sale” while actively seeking buyers for an additional 136 parcels categorized as “Future Development”. These properties were transferred to the City for disposition, with the goal to leverage City-owned property for economic development. Once sold, the City will have completed the disposition of Successor Agency properties and begin a new era of property development that includes a focus on lease activity. In future years, this measure is expected to be replaced with indicators related to active ground leases.

Key Measure	FY 18 Actual	FY 19 Target	FY 19 Estimate	FY 20 Projection
Number of Long Beach residents who are placed in employment	1,900	2,500	2,100	2,050

This performance measure indicates the number of residents that are served through employment programs administered by Pacific Gateway. This includes career services through the WorkPlace, Youth Opportunity Center, and contracted service providers. Service and enrollment levels have been trending down after years of increase during the economic recession, as expected. While the number of customers seeking services in-person declines, the depth of service intensifies. If a state- and/or national economic slow-down occurs as predicted, Pacific Gateway expects to see an upward trend in visits in the second half of next year. As the local economy regains strength, the system will focus on harder-to-serve clients with acute barriers to employment.

FY 19 Accomplishments

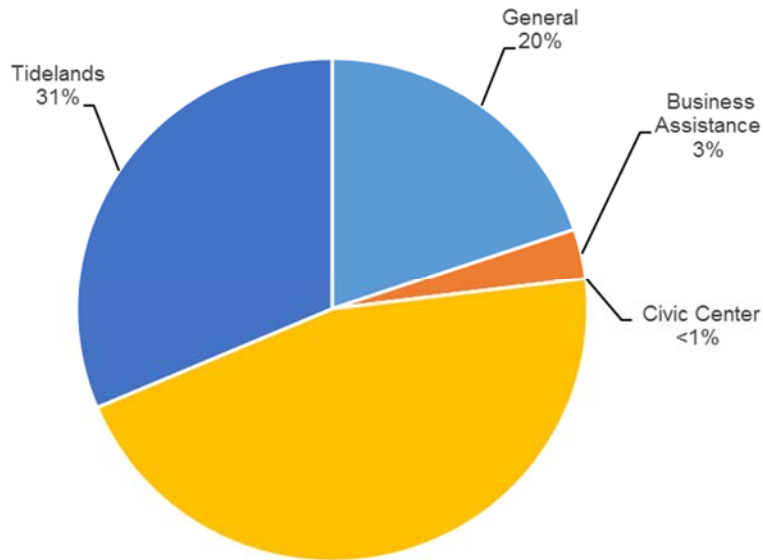
- Began implementation of the \$300,000 CommunityWINS® Grant which will be used to create a Citywide Market for Hourly Labor program.
- Closed sales of 34 former redevelopment agency and City-owned properties, valued at over \$18,000,000.
- Acquired properties for both a permanent shelter and a homeless property storage program, activation of which will further the Economic Development Blueprint's Quality of Life objective.
- Facilitated the Economic Development Commission Champion Initiative to promote and further the recommendations outlined in the 10-year Economic Development Blueprint.
- Partnered with California State University, Long Beach (CSULB) on the Regional Economic Forum for the second consecutive year, successfully boosting attendance to over 438 attendees. The Spring 2019 update included: a report on the national, regional, and local economies; highlights on Blueprint implementation; and information from expert panelists in real estate development.
- Continued implementing the Business Corridor Improvement Pilot Program resulting in a major makeover to the Norse-Village corridor and façade improvements along Anaheim Street.
- Launched an upgraded version of the mySidewalk Economic Insights Dashboard to better align with the Economic Development Blueprint's goals. The Dashboard provides an interactive data-intelligence tool that helps track key statistics, drive action, and highlight community progress on Citywide goals.
- Received the 2019 California Association of Public Information Officials (CAPIO) EPIC Award and the 2019 American Planning Association (APA) Los Angeles Award of Excellence for the "Everyone In" Economic Inclusion Initiative, which included the Equity Profile, Listening Tour, and Equity Summit plans.
- Collaborated with the Technology and Innovation Department (TID) to launch a new digital inclusion website, and celebrated International Digital Inclusion Week to educate the community about available digital services, resources, and tools.
- Implemented the Kiva Microloan Program providing access to capital and ensuring economic growth is equitable and inclusive. The program received support from 13 community trustees and 1,891 individual lenders and deploying \$157,000 in zero-interest loans to 17 small businesses.
- Expanded the Start It Up Pilot Program to a full cohort of local business owners and entrepreneurs. Start It Up is a mobile and in-person mentoring program that gives business owners and entrepreneurs the tools they need to succeed.
- Completed construction on the Shaun R. Lumachi Innovation Center, which provides a downtown learning and working center supporting business workers and entrepreneurs.
- Provided adults and youth with career services and job training across four workforce centers, including the WorkPlace, the flagship career center that serves as a national model and leverages partnerships to serve Long Beach residents.

FY 19 Accomplishments

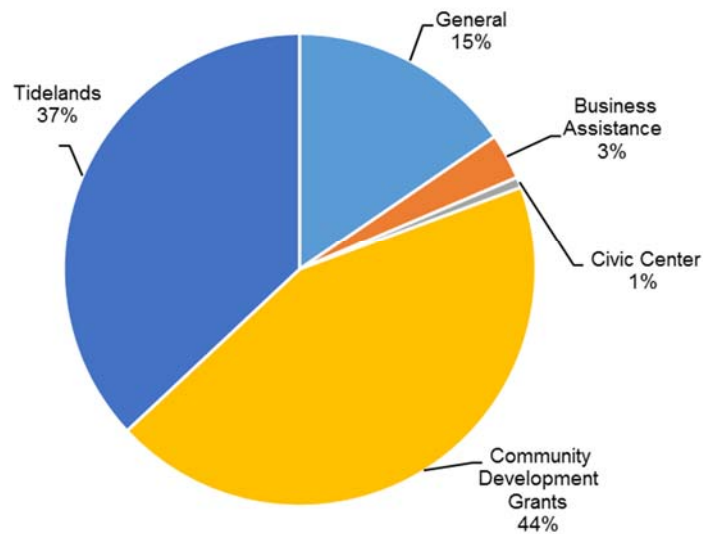
- Participated in the Living Cities City Accelerator Program, which focuses on building a thriving, inclusive entrepreneurial ecosystem. Participation in the program will result in multiple initiatives to increase access to business resources, help grow existing businesses, map business resources, identify resource gaps, build community capacity to support entrepreneurship, and create the first City-sponsored “pop-up storefront.”
- Hosted over 13,000 sessions and 9,300 new users in BizPort over the past year. Since inception, BizPort has had over 38,000 users, hosted 59,000 sessions, and received 2,400 direct inquiries via the chat function.
- Provided eleven small business loans for a total of \$649,000.
- Launched a Citywide Non-profit Economic Development Corporation dedicated to corridor revitalization, local marketing, business development facilitation, and a property investment fund.
- Joined California’s MAPLE non-profit, mutual benefit corporation to encourage bilateral economic activity between the City and Canada and to further the Economic Blueprint goal of promoting trade and foreign direct investment.
- Continued to implement recommendations identified in the City Auditor’s Business Improvement District Oversight Audit in partnership with the Council of Business Associations. Highlights of these efforts included: updated BID agreements to reflect current procedures; created standardized reporting templates; finalized the BID program handbook; and delivered technical assistance to help BIDS deliver successful, sustainable programs.
- Partnered with SCORE to launch a new South Bay/Long Beach chapter to offer free workshops and mentoring to support local small businesses.
- Coordinated a social media campaign to celebrate and promote National Small Business Week.
- Created a new brochure promoting available business support resources offered by the City and community partners.

FY 20 Budget

FY 20 Revenues by Fund



FY 20 Expenditures by Fund



Fund Impact

Fund	Revenues	Expenditures	Fund Impact
General	4,460,600	3,525,983	934,617
Business Assistance	728,199	716,364	11,835
Civic Center	-	164,693	(164,693)
Community Development Grants	10,243,797	9,975,427	268,370
Tideland	7,065,000	8,427,325	(1,362,325)
Total	22,497,596	22,809,791	(312,196)

Summary of Changes*

GENERAL FUND	Impact	Positions
Implement various organizational, staffing, and material changes to reflect actual operations.	(45,198)	(1.05)

TIDELANDS OPERATING FUND	Impact	Positions
Reallocate funding for various staff from the General Fund Group to the Tidelands Operating Fund to better align job duties.	145,198	1.05

* For ease of review, reallocations of resources within departments, offsets, adjustments, and minor changes have not been included. As figures reflect the net impact to a fund, an increase in expense is shown as a positive number (cost/hit to fund) and a decrease in expense is shown as a negative number (savings/benefit to fund). Accordingly, a decrease in revenue is shown as a positive number (cost/hit to fund), and an increase in revenue is shown as a negative number (savings/benefit to fund).

Executive Office & Administrative/Financial Services Division

Key Services:

1. Executive Office

- Patron Issue Management
- City Council Relations /Communications
- Community Relations / Outreach Education
- Strategic Initiatives
- Departmental Management

2. Financial Administration

- Budget Development and Management
- Grants Management
- Contract / RFPs Management
- Accounting
- Purchasing
- Records Request and Management

3. Personnel

- Payroll
- Benefits Education and Management
- Employee Assistance
- Personnel Management and Issue Resolution
- Risk Management and Safety Training

4. Communications

- Department Media Relations
- Public Outreach, Social Media and Events
- Publications

5. Office of Economic Research

- Economic Studies and Analysis

FY 20 Funding Source: General Fund 37%, Civic Fund 15%, Community Development Grants Fund 19%, Tidelands Operations Fund 29%

Executive Office & Administrative/Financial Services**	Actuals FY 18	Adjusted* FY 19	Proposed* FY 20
Revenues	-	-	-
Expenditures	-	640,933	1,104,885
FTEs	-	7.00	8.00

*Amounts exclude all-years carryover.

** Prior to FY 19, the budget for the Executive Office and Administrative Financial/ Services functions were reflected in the Business Development Bureau.

Narrative:

The Executive Office (Office) is responsible for overall management of the Economic Development Department, and the Office works closely with the Administrative and Financial Services Division to support business operations throughout the entire department. Key services of the Office include financial services, personnel management, public affairs, and executive management of the Department.

The overarching goal of the Office is to ensure the Department is aligned with the policy direction of the Mayor, City Council, and City management. Specific responsibilities include facilitating development and implementation of the City's 10-Year Blueprint for Economic Development; forming strategic partnerships with community partners; managing the performance of Department operations to align with the Department strategic plan; staffing the Economic Development Commission and Economic Development & Finance Committee of the City Council, and providing regular updates to policy makers and the community regarding key economic indicators for the City of Long Beach.

In FY 20, the Office will continue to focus on implementing recommendations from the Blueprint for Economic Development and ensure that necessary resources are in place to execute the work. This includes developing standard protocols for administrative and financial services, marketing and promoting Blueprint goals and objectives, executing strategic partnerships to expand service delivery, and identifying and developing funding sources to grow and sustain new programs.

Business Development Bureau

Key Services:

1. Small Business Lending

- Revolving Loans
- Launch Grants &
- Façade Improvement Program

2. Business Improvement Districts

- Administration & Oversight
- Establishment/Renewal

3. Business Retention

- Incentive Programs
- Relocation

4. Economic Research

- Blueprint Implementation
- Research
- Tracking & Reporting

5. Business Startup

- Attraction
- Site Selection
- Licensing & Permitting

FY 20 Funding Source: General Fund 72%, Business Assistance Fund 27%, Tidelands Operations Fund 1%

Business Development	Actuals FY 18	Adjusted* FY 19	Proposed* FY 20
Revenues	1,261,688	677,838	728,199
Expenditures	3,793,270	1,471,976	2,642,516
FTEs	10.00	3.00	3.00

*Amounts exclude all-years carryover.

Narrative:

The Business Development Bureau (Bureau) is responsible for growing the number and size of businesses in the City of Long Beach, with a particular focus on economic inclusion and under-represented entrepreneurs. As described in the Blueprint, the goal of the Bureau is to build a supportive economic ecosystem that creates reliable pathways for entrepreneurs to confidently start and grow successful businesses. Key objectives of the Bureau to advance this goal in FY 20 are to invest in strategies that:

- Improve the business startup process;
- Increase access to capital;
- Strengthen and revitalize business corridors;
- Prioritize economic inclusion;
- Strengthen the local entrepreneurial support system;
- Increase business exports and foreign direct investment;
- Make market and community data more readily available; and
- Promote Long Beach as a destination for startups and business expansion.

In FY 19, the Bureau delivered business assistance programs and partnerships including BizMap, Business Corridor Improvement Pilot Program, CSULB Institute for Innovation & Entrepreneurship Fellowship, StartUp Toolkit, Everyone In Economic Inclusion Initiative, Living Cities City Accelerator, and the Kiva Microloan Program. The Bureau also implemented recommendations identified in the Business Improvement District Audit. In FY 20, the Bureau will continue to implement recommendations from the Blueprint and to strengthen its partnerships with the Economic Development Commission, local education institutions, business associations, and other community partners.

Property Development Bureau

Key Services:

1. Property Services

- Proactive Property Maintenance
- Contract Administration
- Lease Negotiation
- Asset Management
- Long Range Property Management

2. Real Estate Development

- Appraisals
- Acquisitions & Sales
- Real Estate Transactions
- Opportunity Site Identification
- Development Services

FY 20 Funding Source: General Fund 12%, Tidelands Operations Fund 57%, Tidelands Area Funds 31%

Property Development	Actuals FY 18	Adjusted* FY 19	Proposed* FY 20
Revenues	14,960,581	22,447,140	11,525,600
Expenditures	8,608,812	21,431,629	9,138,066
FTEs	9.00	9.00	9.00

*Amounts exclude all-years carryover.

Narrative:

The Property Development Bureau (Bureau) is responsible for managing City property, and increasing the amount of real estate investment in the City. As described in the Blueprint, the goal of the Bureau is to create more responsive, cost effective, and streamlined City processes to grow investment and development in the City. Key objectives of the Bureau to advance this goal in FY 20 are to invest in strategies that:

- Reduce the cost of development;
- Reduce the median days to approve entitlements for property development;
- Reduce the commercial, office, retail, and residential vacancy rates; and
- Increase citywide real estate investment.

In FY 19, the Bureau closed sales of 34 former redevelopment agency and City-owned properties, which has contributed to the private real estate investment in the City. Additionally, the Bureau continued to expand oversight of the approved 66-year lease between the City and Urban Commons for the operation, maintenance, and development of Queen Mary Island, and proactively managed and maintained City-owned properties. The Bureau will implement the contract management system to better manage City-owned real estate assets.

Workforce Development Bureau

Key Services:

1. Workforce Development

- Job Search Assistance
- Individualized assessments
- Connection to Training
- Career Counseling
- Skill Development scholarship to Occupational Training

2. Communications

- Outreach
- Marketing & Promotion
- Public Affairs
- Workforce Investment Board

3. Business Assistance

- Recruitment and Hiring
- Youth Hiring and Internships
- Lay-Off Aversion
- Customized Training

4. Workforce Operations

- Contracts and Procurement
- Accounting Functions
- Budgeting
- Administration
- Grant Monitoring

FY 20 Funding Sources: General Fund 2%, Community Development Grants Fund 98%

Workforce Development	Actuals FY 18	Adjusted* FY 19	Proposed* FY 20
Revenues	9,338,275	9,919,414	10,243,797
Expenditures	12,033,790	10,030,372	9,924,325
FTEs	70.27	67.96	67.96

*Amounts exclude all-years carryover.

Narrative:

The Workforce Development Bureau (Bureau) is responsible for providing economic opportunities for workers and providing a skilled workforce for employers in the City of Long Beach. As described in the Blueprint, the goal of the Bureau is to ensure the preparedness of the workforce and competitiveness of business through alignment of economic development, training, education, and community partnerships. In FY 19 the Bureau will invest in strategies that:

- Increase year over year per capita income in the City;
- Increase the number of middle and high-skill jobs in the City; and
- Increase the number of Long Beach residents who reengage with the education and training system.

In FY 19, the Bureau provided adults and youth with career services and job training across four workforce centers. A main focus of this work was the development of integrated service strategies, bringing the work closer to communities of need. This included partnerships with GED programs for out-of-school youth, service plans for Carmelitos residents, strategies for residents experiencing homelessness, systems integration with adult schools and English-language programs, and the design of new career centers. The Bureau's flagship career center served as a national model and leveraged partnerships to provide comprehensive services to Long Beach residents. Other projects focused on software and wrap-around services for workers in seasonal employment and the gig economy and design of the Long Beach College Promise Fellowship program, in partnership with higher education and the Mayor's Office. In FY 20, the Bureau will continue to strengthen service connections and create economic opportunities for workers and employers in the region. .

Financial Summary by Category

	Actual	Adopted*	Adjusted*	Proposed*
	FY 18	FY 19	FY 19	FY 20
Revenues:				
Property Taxes	-	-	-	-
Other Taxes	-	-	-	-
Franchise Fees	-	-	-	-
Licenses and Permits	12,475	12,000	12,000	12,000
Fines and Forfeitures	-	-	-	-
Use of Money & Property	13,145,659	11,369,112	10,597,600	11,097,600
Revenue from Other Agencies	10,830,009	9,703,147	9,592,188	10,027,530
Charges for Services	-	-	-	-
Other Revenues	929,651	1,088,105	2,790,604	1,138,466
Interfund Services - Charges	7,052	6,000	6,000	6,000
Intrafund Services - General Fund Charges	-	-	-	-
Harbor & Water P/R Rev Trsfs	-	-	-	-
Other Financing Sources	315,955	-	-	-
Operating Transfers	319,744	216,000	10,046,000	216,000
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Total Revenues	25,560,545	22,394,364	33,044,392	22,497,596
Expenditures:				
Salaries, Wages and Benefits	7,752,193	10,404,500	9,474,391	10,775,016
Overtime	37,763	-	-	-
Materials, Supplies and Services	14,601,192	8,309,485	21,622,191	9,216,581
Internal Support	767,458	89,528	(43,156)	315,522
Capital Purchases	72,234	-	-	-
Debt Service	994,737	2,721,483	2,521,483	2,502,672
Transfers to Other Funds	24,423	-	-	-
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Total Expenditures	24,249,999	21,524,996	33,574,910	22,809,791
Personnel (Full-time Equivalents)	89.27	86.96	86.96	87.96

* Amounts exclude all-years carryover.

Personnel Summary

Classification	FY 18 Adopt FTE	FY 19 Adopt FTE	FY 20 Prop FTE	FY 19 Adopted Budget	FY 20 Proposed Budget
Director-Economic Development	1.00	1.00	1.00	212,331	212,331
Accountant III	1.00	1.00	1.00	71,285	71,285
Accounting Clerk II	1.00	1.00	1.00	40,894	40,894
Accounting Clerk III	1.00	1.00	1.00	44,017	44,017
Administrative Analyst II	-	1.00	1.00	89,359	89,359
Administrative Analyst III	3.00	2.00	2.00	193,010	193,010
Administrative Analyst II-NC	2.00	2.00	2.00	144,899	144,891
Administrative Analyst I-NC	1.00	1.00	1.00	69,250	69,246
Administrative Intern	8.76	6.45	6.44	251,627	212,426
Administrative Officer	1.00	1.00	1.00	120,978	101,936
Assistant Administrative Analyst I	-	1.00	1.00	52,722	55,769
Assistant Administrative Analyst II	2.00	2.00	2.00	122,249	140,443
Assistant Director-Workforce	1.00	1.00	1.00	116,773	124,948
Clerk Typist II	1.00	-	-	-	-
Clerk Typist III	5.00	6.00	6.00	299,650	307,721
Community Information Specialist II	1.00	1.00	1.00	45,025	45,025
Community Program Specialist I	4.00	4.00	4.00	235,150	230,267
Community Program Specialist II	2.00	2.00	2.00	122,518	138,183
Community Program Specialist III	16.51	16.51	16.52	1,303,799	1,326,952
Community Program Specialist IV	3.00	3.00	3.00	235,679	255,127
Community Program Specialist V	7.00	7.00	7.00	669,853	674,633
Community Program Technician I	1.00	1.00	1.00	50,290	50,290
Community Program Technician II	1.00	1.00	1.00	54,067	45,902
Community Program Technician III	1.00	1.00	1.00	58,264	58,264
Community Program Technician IV	2.00	2.00	2.00	124,172	124,166
Deputy Director of Economic Development	1.00	1.00	1.00	173,047	173,047
Development Project Manager II	1.00	1.00	1.00	89,359	89,359
Development Project Manager III	3.00	3.00	3.00	282,123	300,042
Exec Director-Reg Wrkfr Invest Brd	1.00	1.00	1.00	168,941	168,940
Executive Assistant	1.00	1.00	1.00	69,463	60,203
Manager-Business Operations	-	-	1.00	-	136,000
Payroll Personnel Assistant II	1.00	1.00	1.00	51,546	51,546
Real Estate Officer	1.00	1.00	1.00	141,840	120,517
Real Estate Project Coordinator II	1.00	-	-	-	-
Real Estate Project Coordinator III	3.00	3.00	3.00	313,332	313,331
Real Estate Technician II	1.00	1.00	1.00	62,833	62,833
Redevelopment Project Officer	1.00	1.00	1.00	125,008	125,009
Secretary	2.00	2.00	2.00	97,805	100,529
Senior Accountant	1.00	1.00	1.00	96,505	96,505
Special Project Officer	1.00	1.00	1.00	106,155	106,155
Workforce Development Officer	3.00	3.00	3.00	321,158	321,158
Subtotal Salaries	89.27	86.96	87.96	6,826,974	6,982,259
Overtime	-	-	-	-	-
Fringe Benefits	-	-	-	3,520,872	3,723,497
Administrative Overhead	-	-	-	136,400	149,007
Attrition/Salary Savings	-	-	-	(36,857)	(36,857)
Expenditure Transfers	-	-	-	(42,890)	(42,890)
Total	89.27	86.96	87.96	10,404,500	10,775,016

